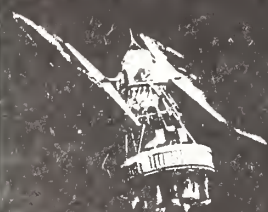


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Farm Broadcasters Letter



CO./SERIALS BRANCH
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FORECAST WHEAT EXPORTS 1988/89

The U.S. wheat and wheat products export forecast for 1988/89 is unchanged at 39.5 million metric tons, according to the U.S. Department of Agriculture. As of October 13, total wheat shipments and sales, excluding wheat products, for 1988/89 totaled 18.6 million tons, falling almost 1 million tons below last year's figure for the same period. Heavy sales to the USSR during September and October of 1987 resulted in a large sales volume, while sales lagged during the 4-week period leading up to October 13, 1988. The leading purchasers of U.S. wheat from September 15 to October 13 include Morocco, China, Taiwan and Bangladesh.

E. EUROPE TO EXPORT RECORD WHEAT

Eastern Europe is forecast to export a near record 3.7 million tons of wheat in 1988/89, almost double last year's level of approximately 2 million tons, according to the U.S. Department of Agriculture. This is a result of a forecast record 1988 wheat crop. Traditional East European wheat markets include the USSR and other West European countries, which last year turned to the European Community and the U.S. to cover import needs. A year earlier, the U.S. shipped about 1.8 million tons of wheat to E. Europe.

U.S. WHEAT FOR ARGENTINE CUSTOMERS?

According to the U.S. Department of Agriculture, all of Argentina's exportable wheat supplies for 1988/89 are probably already committed through fulfillment of existing long-term agreements. In fact, Argentina may not be able to duly meet trade levels called for in some of the agreements. Currently, Argentina's exportable supplies are forecast at 3.7 million tons for 1988/89, the lowest level since 1981/82. Since many of Argentina's traditional wheat markets are also buyers of U.S. wheat, the U.S. could potentially gain increased exports as a result of lower Argentine exports.

CANADIAN GRAINS OF HIGH QUALITY

Canada is forecast to export only 11.7 million tons of wheat in 1988/89, the lowest level of exports since 1974/75 and down from the record 23.5 million tons in 1987/88. However, despite the drought, the quality of the new-crop wheat is particularly high, according to the U.S. Department of Agriculture. Thus the expected declines in total revenue from the reduced exports may be offset somewhat by larger premiums on sales of premium quality wheat and barley.

CORN EXPORT
FORECAST

The U.S. corn export forecast by the U.S. Department of Agriculture for 1988/89 was increased by 1.3 million tons over the September estimate to 43.2 million tons. This reflects heavy early-season purchases by the USSR, expanded import demand in E. Europe and high levels of outstanding sales.

GOOD RESULTS OF
BEEF-CITRUS
AGREEMENT

Sec'y of Agriculture Richard E. Lyng commented on the positive results of the U.S.-Japan beef-citrus agreement. Said Lyng, "As a result of the agreement, the value of U.S. beef exports to Japan in August was up nearly 124 percent over August 1987, while volume was up 76 percent." The value of the August 1988 U.S. beef exports to Japan was \$86.78 million, while volume was 15,136 metric tons.

SOYBEAN
PRODUCTION
AND PRICES

The soybean production is estimated by the U.S. Department of Agriculture at 1,501 million bushels in October, higher than some private preharvest estimates but still well below normal. The yield is estimated at 26.4 bushels per acre compared with 33.7 reported for 1987. Soybean stocks on September 1 were 302 million bushels. The effect of reduced production and smaller carryover stocks has been to raise prices for soybeans, meal and oil from 1987/88. The season average price received by farmers for soybeans in 1988/89 is forecast to average \$7.00-\$9.00 per bushel. Meal prices are expected to average \$225-\$275 per ton, and oil prices are projected to average 22-27 cents per pound.

SOYBEAN EXPORTS
TO DECREASE

Most of the adjustment to smaller soybean supplies will occur in the export accounts. According to the U.S. Department of Agriculture, domestic crush will be reduced 13 percent to 1,020 million bushels, but soybean exports will be lowered nearly 30 percent to 565 million bushels. Meal exports will fall even more, by 38 percent to 4.2 million tons. The domestic use of meal is forecast to decrease only 6 percent as significant reduction in livestock and poultry numbers seems less likely, in part because corn prices have remained low compared with other drought years. Soybean oil exports are expected to fall to 1,350 million pounds from last year's unusually high 1,900 million.

WORLD OILSEED
PRODUCTION

World oilseed production in 1988/89 is forecast at 201 million metric tons, 3 percent below last year's record crop, according to the U.S. Department of Agriculture. Brazil and Argentina are expected to respond to high world soybean prices by boosting their combined oilseed output in 1988/89 to just over 37 million metric tons, with soybean production likely up 12 percent to 31 million metric tons.

U.S. AG
EXPORTS

The agricultural exports of the U.S. for August totaled 10.4 million tons valued at \$2.9 billion, according to the U.S. Department of Agriculture. Exports for October 1987 through August 1988 totaled 135.9 million tons, valued at \$32 billion. This is an increase of \$6.5 billion, or 25 percent, in value...and an increase of 17.9 million tons, or 15 percent, in volume over the same period a year ago.

WHEAT EXPORTS
IN LEAD Leading all commodities in U.S. export sales is wheat, with sales outpacing year-ago levels by 56 percent in value and 48 percent in volume, according to the U.S. Department of Agriculture. Substantial sales gains also were registered in value and volume for corn, feeds and fodders, vegetable oils, cotton, red meats, hides and skins, almonds, and fresh and processed fruits and vegetables.

EC AND JAPAN
BEST U.S.
CUSTOMERS The European Community and Japan continue as the strongest markets for U.S. agricultural products, with sales for the first 11 months of nearly \$7 billion for the European Community and over \$6.6 billion for Japan. Also good customers are Korea, Canada, the Soviet Union and China.

U.S. TRADE
MISSIONS Sec'y of Agriculture Richard Lyng announced that the first two U.S. agricultural trade and development missions in fiscal 1989 will visit Algeria, Tunisia, Cote d'Ivoire and Kenya. For more information on the missions program, contact Wayne W. Sharp, Foreign Agricultural Service, Room 3058-S, USDA, Washington, D.C. 20250-1000. Telephone: 202-382-0368.

FROM OUR RADIO
SERVICE AGRICULTURE USA #1640...(Weekly 13½ min documentary) Trade disputes with Japan made headlines recently with a U.S. Government decision on Japanese restrictions on rice imports. Chris Larson explores this and other U.S./Japanese trade issues.

 AGRITAPE/FARM PROGRAM REPORT #1628...(Weekly reel of news features) USDA news highlights; 1989 upland cotton program; U.S. says no to U.S. rice growers petition against Japan; 65th Ag. Outlook Conference; The genetic dilemma.

 CONSUMER TIME #1120...(Weekly reel of 2½-3 min features) Better housing for the needy; Home pesticide alternatives; Head lice; Balancing work and family; Pesticides in food.

 USDA RADIO NEWS SERVICE...Mon, Nov. 14, Farm labor report; Tues, Nov. 15, Weekly weather and crop outlook; Wed, Nov. 16, Feed outlook; Milk production report and World sugar situation. Fri, Nov. 18, Cattle on feed report; Catfish outlook. Dial the USDA National News Line 202-488-8358 or 8359. All material changed at 5 p.m. ET each working day.

TELEVISION SERVICE programs, A BETTER WAY, DOWN TO EARTH, AGRICULTURAL UPDATE and SATELLITE NEWS are available on satellite Westar IV, audio 6.2 or 6.8 as follows:

Thursdays....AG UPDATE/SATELLITE NEWS, 7:30-7:45 p.m. ET.....Transponder 12D

Saturdays....A BETTER WAY, 10:00-10:30 a.m. ET.....Transponder 10D
ORIGINAL DOWN TO EARTH, 10:30-11:00 a.m. ET....Transponder 10D
UPLINK SATELLITE NEWS/AG UPDATE, 11:00-11:15 a.m. ET.....Transponder 10D

Mondays.....A BETTER WAY, 8:00-8:30 a.m. ET.....Transponder 12D
REPEAT DOWN TO EARTH, 8:30-9:00 a.m. ET....Transponder 12D
UPLINK SATELLITE NEWS/AG UPDATE, 9:00-9:15 a.m. ET.....Transponder 12D

A BETTER WAY is also available on The Learning Channel SATCOM 3R, Transponder 2, Audio 6.8 each Thursday at 10:30 a.m. ET.

OFFMIKE

GATT mid-term review...at Montreal in early December holds the possibility of interesting developments. Europeans see it as an examination of talks at the half-way point, U.S. says its an opportunity to negotiate. The pot will likely be stirred before the meeting, adding heat. Agriculture will be a main item. USDA radio and TV plans to be in Montreal covering events. NAFB...outgoing president Dix Harper (WRAL-TV/Tobacco Net, Raleigh, NC) says 1988 was an exciting year to head the organization, and that the agricultural issues provided excellent opportunities for farm broadcasters to demonstrate their important contributions to the nation's largest industry. Incoming president...Mark Vail (Kansas Agriculture Network, Topeka) says one of the main challenges facing farm broadcasters is keeping up with rapid developments in agriculture so that members can maintain the vital informational link to farmers and ranchers. Strong demand...for tobacco in Georgia results in only 0.3% of the

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crop being placed in the flue-cured stabilization program, half a million pounds less than last year. As the season ends Roland Brooks (GA radio-TV extension) says production was up and prices lower. Will the anti-smoking campaign ultimately be about as effective as the anti-drinking campaign of half a century ago? Two :30 radio PSA's...Insects In Stored Grain, and Keeping Grain Clean, have been produced by the Grain Insect Interagency Task Force. Available from Eric Parsons, USDA-ASCS 1-202-447-7807. History...10 years ago this column, Orion Samuelson (WGN Chicago) says his U.S. Farm Report is now on 86 TV stations. 20 years ago, Jack Crouner, and Rich Hull (WAVE Louisville) received a gold medal from the Kentucky State Fair for agricultural radio broadcasting.


VLC POWELL, Chief, Radio and Television Division